

EOG Resources, Inc.
P.O. 1910
Vernal, UT 84078

October 6, 2004

Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

RE: APPLICATION FOR PERMIT TO DRILL
CHAPITA WELLS UNIT 936-25
SW/SE, SEC. 25, T9S, R22E
UINTAH COUNTY, UTAH
LEASE NO.: U-010956
FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone: (435)789-4120
Fax: (435)789-1420

Sincerely,



Ed Trotter
Agent
EOG Resources, Inc.

Attachments

001

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL

☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator
EOG RESOURCES, INC.

3a. Address **P.O. BOX 1815
VERNAL, UT 84078**

3b. Phone No. (Include area code)
(435)789-0790

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface **782' FSL, 2416' FEL** *637690X* *40.001961*
4429011Y *SW/SE* *-109.386973*
At proposed prod. Zone

5. Lease Serial No.

U-010956

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

CHAPITA WELLS UNIT

8. Lease Name and Well No.

CHAPITA WELLS UNIT 936-25

9. API Well No.

43-047-36006

10. Field and Pool, or Exploratory

NATURAL BUTTES

11. Sec., T., R., M., or Blk. and Survey or Area

**SEC. 25, T9S, R22E,
S.L.B.&M.**

14. Distance in miles and direction from nearest town or post office*

20.75 MILES SOUTHEAST OF OURAY, UTAH

12. County or Parish

UINTAH

13. State

UTAH

15. Distance from proposed*

location to nearest **782'**

property or lease line, ft.
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease

320

17. Spacing Unit dedicated to this well

'

18. Distance from proposed location*

to nearest well, drilling, completed,
applied for, on this lease, ft. See Topo Map C

19. Proposed Depth

8950'

20. BLM/BIA Bond No. on file

NM-2308

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

5078.0 FEET GRADED GROUND

22. Approximate date work will start*

UPON APPROVAL

23. Estimated duration

45 DAYS

24. Attachments

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

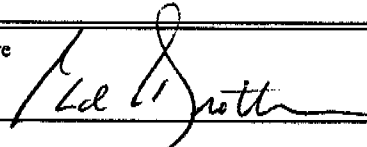
3. A Surface Use Plan (if the location is on National Forest System Lands, the
SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file
(see Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required
by the authorized officer.

25. Signature



Name (Printed/Typed)

Ed Trotter

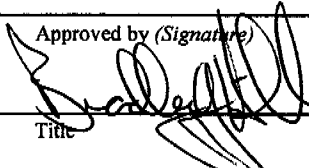
Date

October 6, 2004

Title

Agent

Approved by (Signature)



Name (Printed/Typed)

**BRADLEY G. HILL
ENVIRONMENTAL SCIENTIST III**

Date

10404 **RECEIVED**

Title

Office

OCT 08 2004

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of Approval, if any, are attached.

DIV. OF OIL, GAS & MINING

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

**Federal Approval of this
Action is Necessary**

T9S, R22E, S.L.B.&M.

EOG RESOURCES, INC.

R
22
E

R
23
E

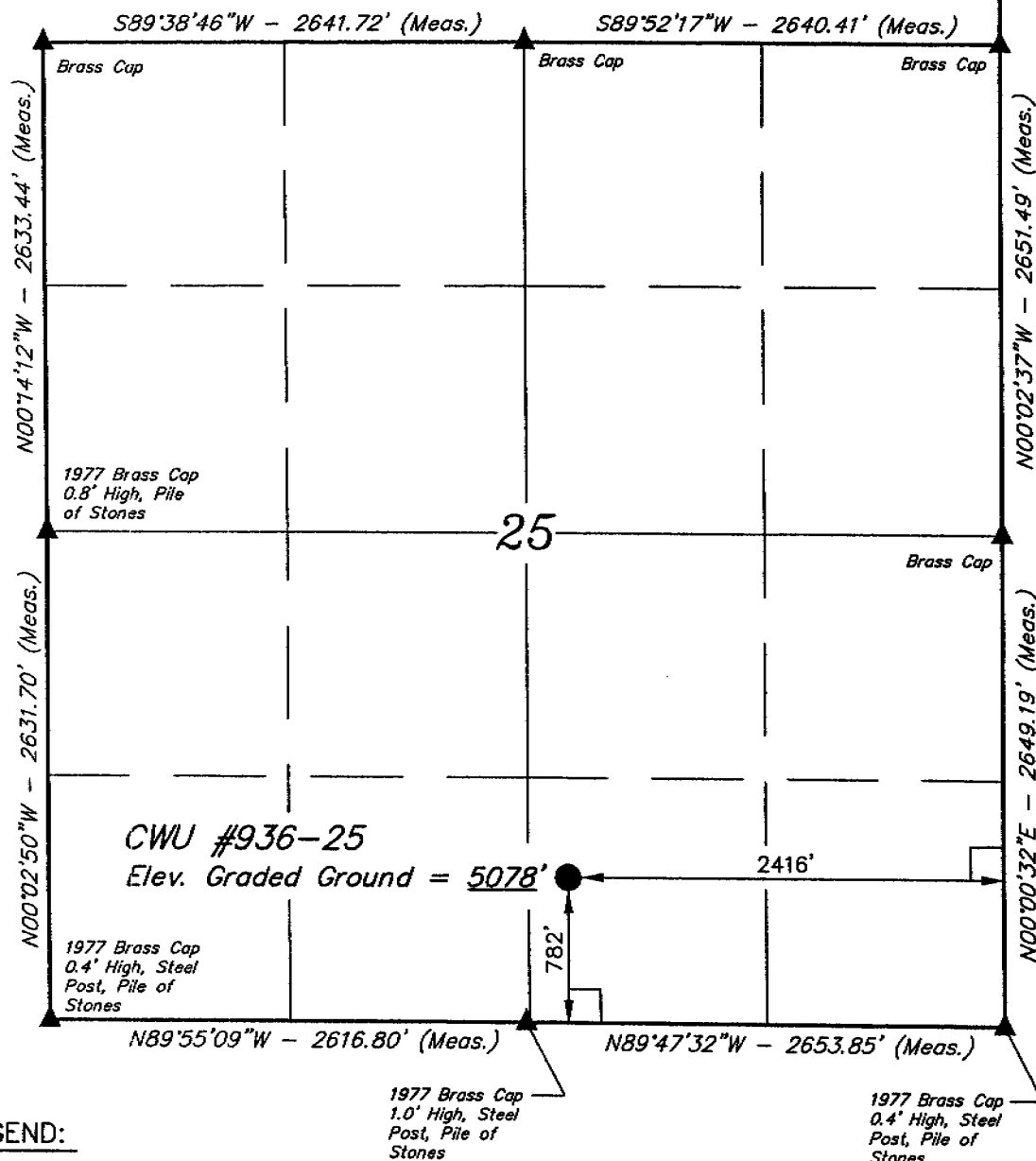
Well location, CWU #936-25, located as shown in the SW 1/4 SE 1/4 of Section 25, T9S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

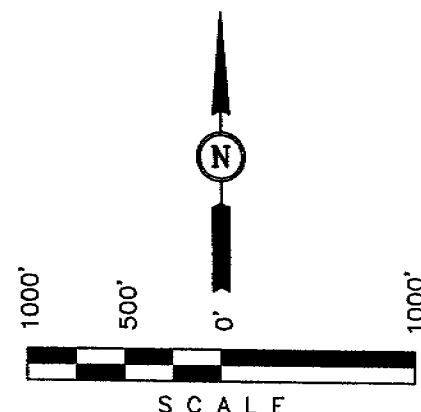
BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 27)
LATITUDE = 40°00'07.01" (40.001947)
LONGITUDE = 109°23'12.70" (109.386861)



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 101319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 08-17-04	DATE DRAWN: 08-25-04
PARTY G.S. W.L. D.COX	REFERENCES G.I.O. PLAT	
WEATHER WARM	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN

CHAPITA WELLS UNIT 936-25 SW/SE, SEC. 25, T9S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Green River	2,361'
Wasatch	4,502'
North Horn	6,500'
Island	6,755'
KMV Price River	6,999'
KMV Price River Middle	7,634'
KMV Price River Lower	8,389'
Sego	8,835'

EST. TD: **8,950'**

Anticipated BHP 3900 PSI

- 3. PRESSURE CONTROL EQUIPMENT:** A 5M BOP will be used on the Production Hole only. (See attached BOP Diagram), Pressure Control Equipment will not be used on the Surface Hole.

4. CASING PROGRAM:

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>MINIMUM SAFETY FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
20"	0' - 45' +/- GL	45' +/-	13 3/8"	48.0 #	H-40	ST&C	770 PSI	1730 PSI	322,000#
12 1/4"	45' - 2300' +/- KB	2300' +/-	9 5/8"	36.0 #	J-55	ST&C	2020 PSI	3520 PSI	394,000#
7 7/8"	2300' - TD +/- KB	8950' +/-	4 1/2"	11.6 #	N-80	LT&C	6350 PSI	7780 PSI	223,000#

The 12 1/4" Intermediate hole will be drilled to a total depth of 300' below the base of the Green River lost circulation zone and 9 5/8" casing will be set to that depth. Actual setting depth of the 9 5/8" casing may be less than 2300' in this well.

All casing will be new or inspected.

5. Float Equipment:

CONDUCTOR HOLE PROCEDURE (0-45' Below GL):

None

SURFACE HOLE PROCEDURE (45'-2300'):

Guide Shoe

Insert Float Collar (PDC drillable)

Cents.: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface.

PRODUCTION HOLE PROCEDURE 2300'-TD:

FS, 1 joint of casing, FC, and balance of casing to surface.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 936-25 SW/SE, SEC. 25, T9S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

6. MUD PROGRAM

CONDUCTOR HOLE PROCEDURE (0-45' Below GL):

Dry or light mud as needed to support drilling by Bucket Rig.

SURFACE HOLE PROCEDURE (45'-2300'):

Air, Air Mist and Water (circulate through reserve pit) with Gel/LCM sweeps.

PRODUCTION HOLE PROCEDURE 2300'-TD:

2300' - 4500' Water (circulate through reserve pit) with Gel/LCM sweeps.

4500' - 6900' Close in mud system. "Mud up" with **6.0 ppb** Diammonium Phosphate (DAP). Drill with DAP water, POLYPLUS for viscosity and hole cleaning, adding KLA-GARD B for supplemental inhibition. Also sweep hole periodically w/ Durogel / LCM sweeps to clean the hole and seal loss zones. Add additional LCM as hole dictates. Mud weight and vis as needed, water loss – no control.

6900' - TD Discontinue KLA-GARD B. Utilize POLYPAC-R for fluid loss control. Maintain **5.5 ppb** DAP. **Do not mix caustic or lime.** Maintain 7.5-8.5 pH. Weight up system and add vis as hole conditions require. Run LCM sweep periodically to seal off loss zones or more often as hole dictates. Water loss: 20 cc's maximum. Expect increasing gas shows requiring heavier mud weights from top of Island onward. Treat CO₂ contamination with DESCO CF and OSIL (Oxygen scavenger) if mud properties dictate.

7. VARIANCE REQUESTS:

- A. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line (Where possible, a straight run blooie line will be used).
- B. EOG Resources, Inc. requests a variance to regulations requiring an automatic ignitor or continuous pilot light on the blooie line. (Not required on aerated water system).
- C. EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be 75' in length.

8. EVALUATION PROGRAM:

Logs: Schlumberger Platform Express TD – Surface Casing, with Di-pole Sonic from TD to surface in 1 run.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 936-25 SW/SE, SEC. 25, T9S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

CONDUCTOR HOLE PROCEDURE (0-45' Below GL):

Cement to surface with Redi-Mix cement

SURFACE HOLE PROCEDURE (45'-2300'+/-):

Option #1: Well circulates or drills with air.

Tail: 500' of Class 'G' mixed at 15.8 ppg w/ 2% CaCl₂ & 0.25 pps Flocele + 35% Excess or Type 5 Cement mixed at 15.6 ppg w/ 2% CaCl₂ & 0.25 pps Flocele + 35% Excess.

Lead: Hi-Fill Cement mixed at 11 ppg with 16% Gel, 10#/sx Gilsonite, 3% salt, 3#/sx GR-3 and 0.25 #/sx Flocele plus 35% Excess to get cement returns to surface.

Option #2: Well does not circulate.

Class 'G' cement mixed at 15.8 ppg w/ 2% CaCl₂ & 0.25 pps Flocele + 35% Excess or Type 5 Cement mixed at 15.6 ppg w/ 2% CaCl₂ & 0.25 pps Flocele + 35% Excess to 100' above the lost circulation zone and top out with same with 3-4% CaCl₂ to get cement returns to surface.

PRODUCTION HOLE PROCEDURE 2300'-TD:

Lead: 110 sks 35:65 Poz G w/ 4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.15% D13 (Retarder), 0.25 pps D29 (cello flakes), mixed at 13.0 ppg, 1.73 cu. ft./sk., 9.06 gps water

Tail: 190 sks: 50:50 Poz G w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.15% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 cu. ft./sk., 5.9 gps water.

10. ABNORMAL CONDITIONS:

SURFACE HOLE (45'-2300')

Potential Problems: Lost circulation below 1800' and minor amounts of gas may be present.

PRODUCTION HOLE 2300'-TD

Potential Problems: Sloughing shales and key seat development are possible in the Wasatch Formation. CO₂ contamination in the mud is possible in the Price River (Mesa Verde).

EIGHT POINT PLAN

CHAPITA WELLS UNIT 936-25
SW/SE, SEC. 25, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

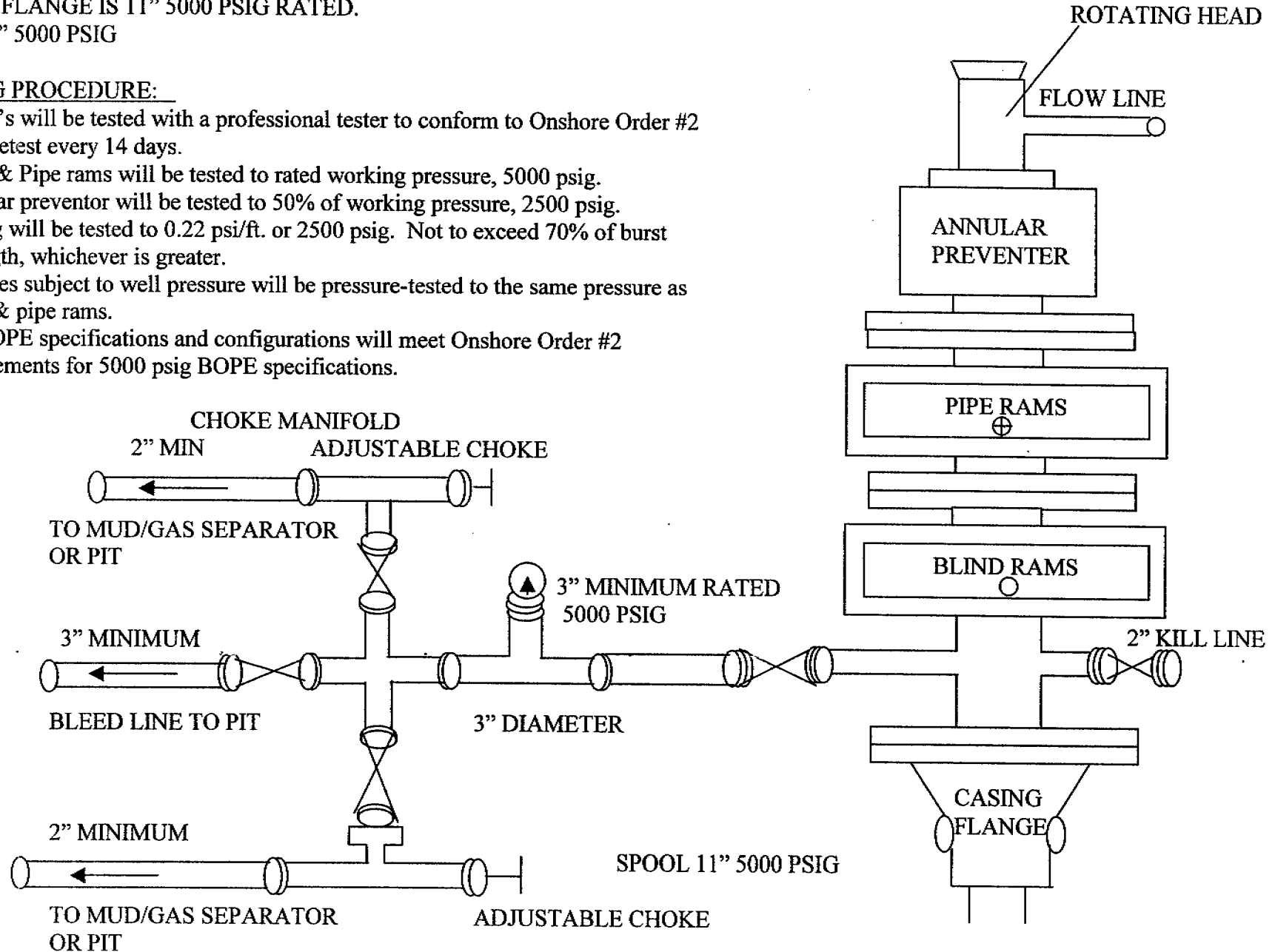
(Attachment: BOP Schematic Diagram)

5000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 5000 PSIG RATED.
CASING FLANGE IS 11" 5000 PSIG RATED.
BOPE 11" 5000 PSIG

TESTING PROCEDURE:

1. BOPE's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 5000 psig.
3. Annular preventor will be tested to 50% of working pressure, 2500 psig.
4. Casing will be tested to 0.22 psi/ft. or 2500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure-tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 5000 psig BOPE specifications.



**CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL**

Company/Operator:	<u>EOG Resources, Inc.</u>
Well Name & Number:	<u>Chapita Wells Unit 936-25</u>
Lease Number:	<u>U-010956</u>
Location:	<u>782' FSL & 2416' FEL, SW/SE, Sec. 25,</u> <u>T9S, R22E, S.L.B.&M., Uintah County, Utah</u>
Surface Ownership:	<u>Federal</u>

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to spudding the well.

Casing String and
Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related
Equipment Tests - twenty-four (24) hours prior to running casing and tests.

First Production
Notice - within five (5) business days after new Well begins or production resumes after Well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 20.75 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. An existing access road will be utilized to service this well. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

- A. Abandoned wells - 9*
- B. Producing wells - 24*
- C. Shut in wells - 4*

(*See attached TOPO map "C" for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

- 1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
- 2. Gas gathering lines - A 4" gathering line will be buried from dehy to the edge of the location.

B. **OFF WELL PAD**

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the Southeast side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

On BLM administered land:

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with a plastic liner. A felt liner will also be installed if rock is encountered during pit construction.

8. ANCILLARY FACILITIES

- A. No airstrips or camps are planned for this well.

9. WELLSITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The approved seed mixture for this location is:

Gardner Salt Bush -- 3 pounds per acre

Shad Scale -- 3 pounds per acre

Hi-Crest Crested Wheat Grass -- 3 pounds per acre

The reserve pit will be located on the Southwest corner of the location.

The flare pit will be located downwind of the prevailing wind direction on the West side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil North of Corners B and 5. The stockpiled location topsoil will be stored South and East of Corner #6. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a cat.

Access to the well pad will be from the Northwest.

Corners #2, #6, & #8 will be rounded off to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP

Access road: Federal

Location: Federal

12. OTHER INFORMATION

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used.
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable

facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

Additional Surface Stipulations

None

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING AGENT

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Telephone: (435)789-4120
Fax: (435)789-1420

DRILLING OPERATIONS

Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

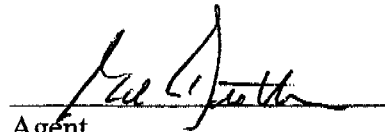
A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Chapita Wells Unit 936-25 Well, located in the SW/SE of Section 25, T9S, R22E, Uintah County, Utah; Lease #U-010956;** and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

10 - 6 - 2004
Date


Agent

EOG RESOURCES, INC.
CWU #936-25
SECTION 25, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 2.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY, THEN WESTERLY DIRECTION APPROXIMATELY 0.8 MILES TO THE #45-25 AND THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 51.75 MILES.

EOG RESOURCES, INC.

CWU #936-25

LOCATED IN UTAH COUNTY, UTAH
SECTION 25, T9S, R22E, S.L.B.&M.

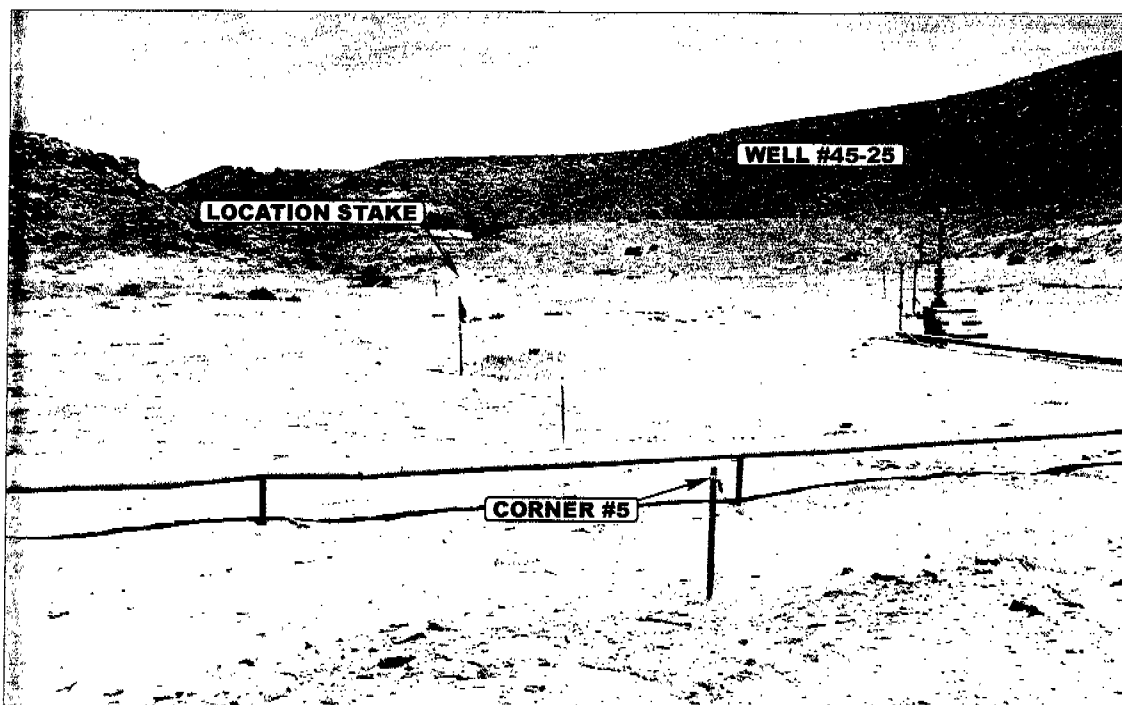


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY

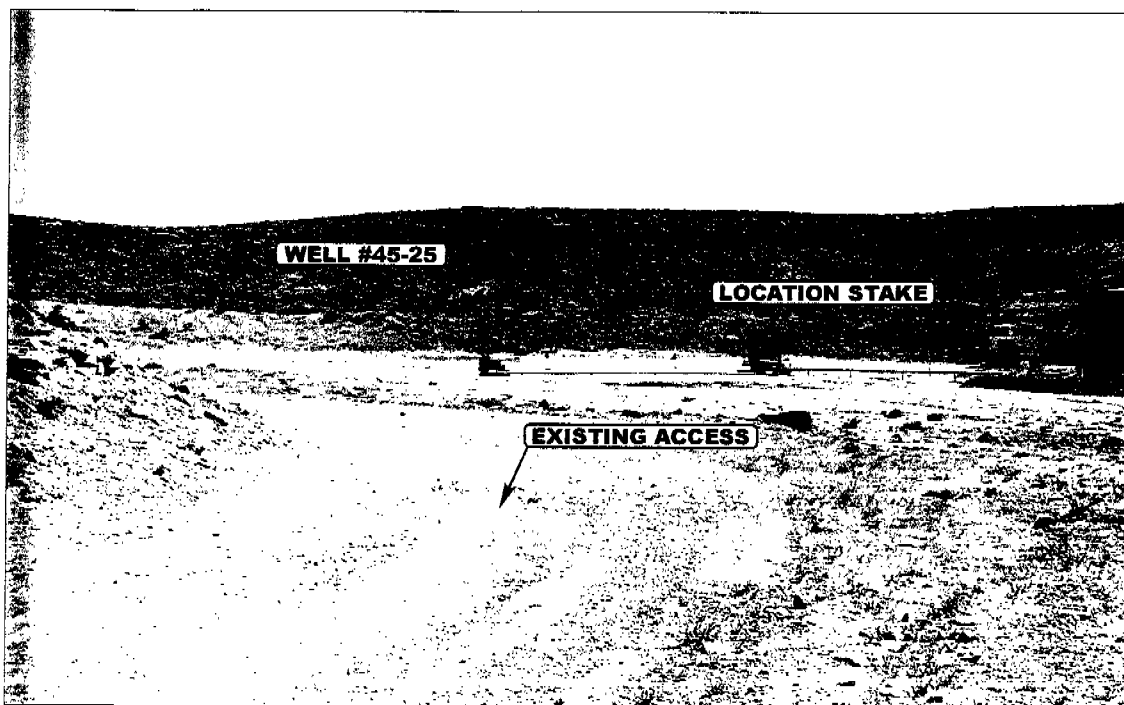


PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: SOUTHERLY



- Since 1964 -

ELS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

08 26 04
MONTH DAY YEAR

PHOTO

TAKEN BY: GS.

DRAWN BY: P.M.

REVISED: 00-00-00

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

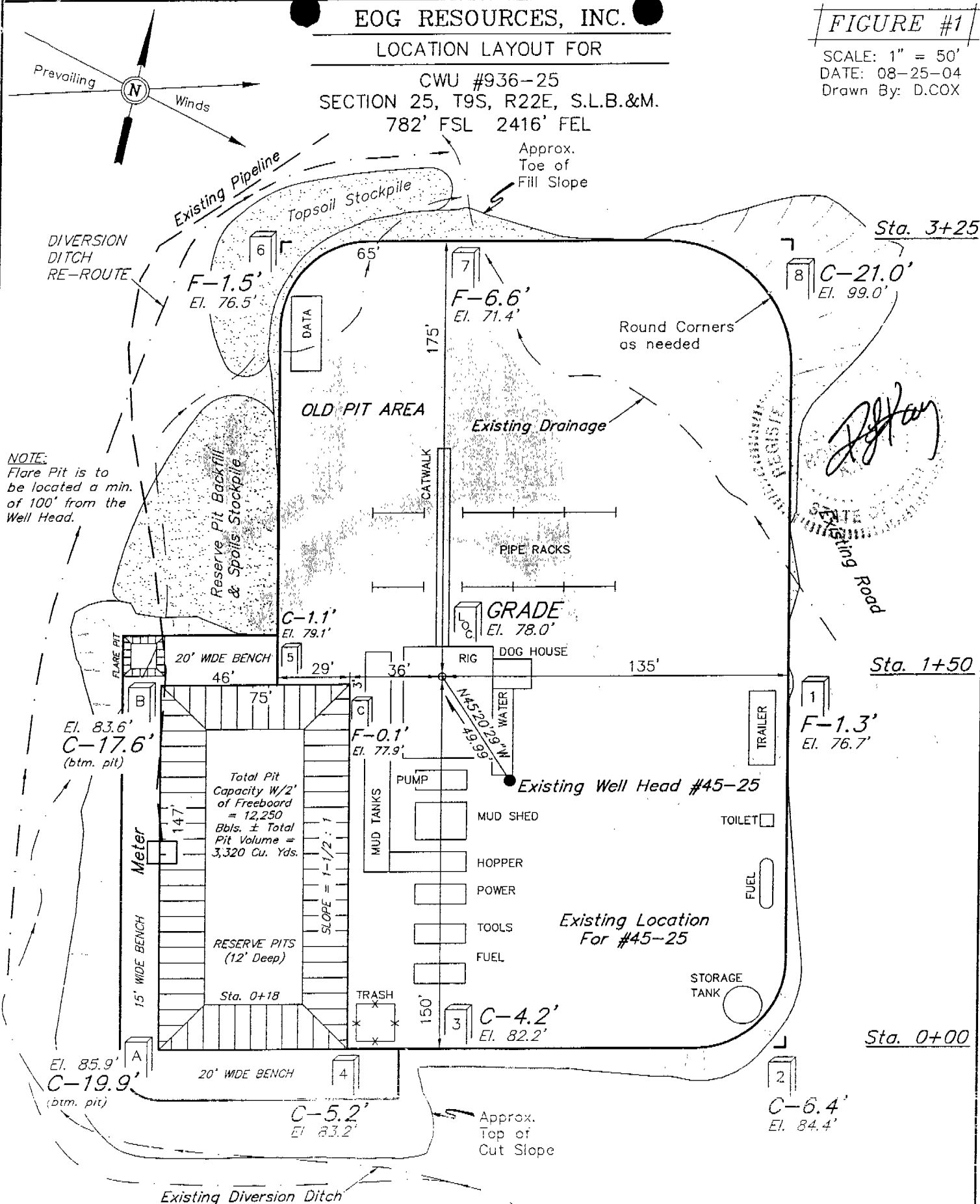
CWU #936-25
SECTION 25, T9S, R22E, S.L.B.&M.
782' FSL 2416' FEL

FIGURE #1

SCALE: 1" = 50'

DATE: 08-25-04

Drawn By: D.COX



NOTES:

Elev. Graded Ground at Location Stake = 5078.0'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

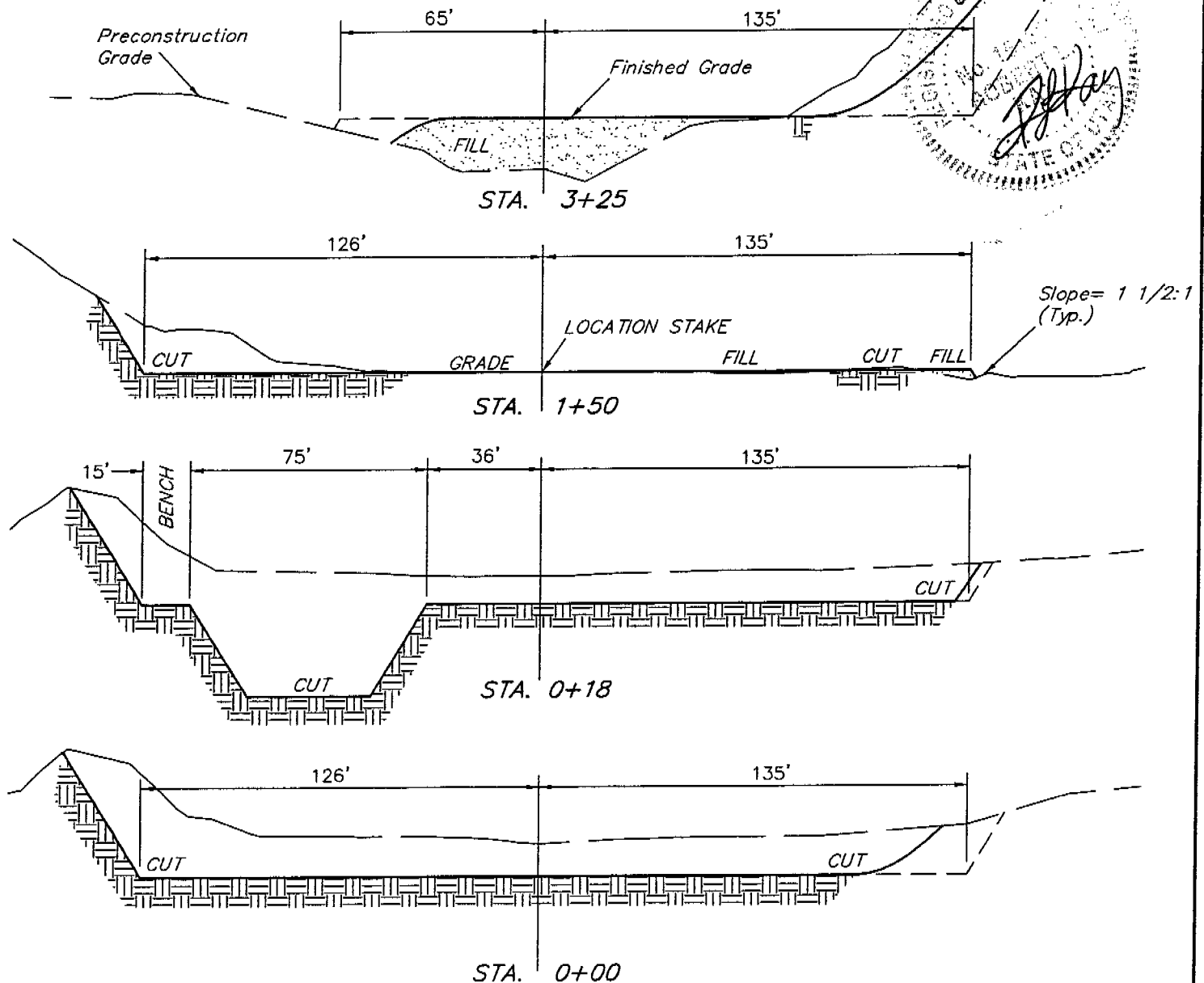
EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

CWU #936-25
SECTION 25, T9S, R22E, S.L.B.&M.
782' FSL 2416' FEL

1" = 20'
X-Section
Scale
1" = 50'

DATE: 08-25-04
Drawn By: D.COX



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

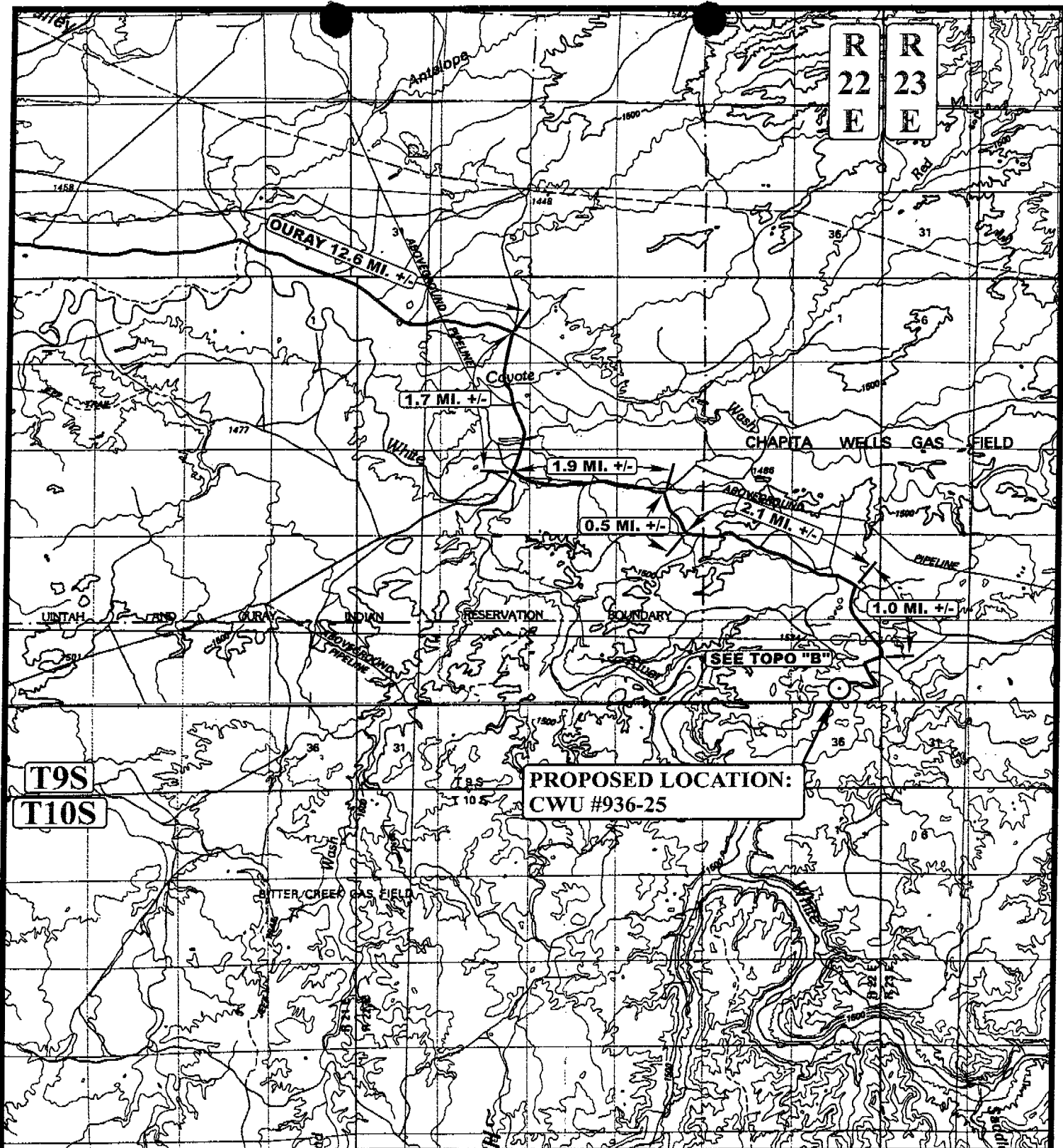
APPROXIMATE YARDAGES

CUT

(6") Topsoil Stripping = 870 Cu. Yds.
(NEW CONSTRUCTION ONLY)
Remaining Location = 10,180 Cu. Yds.
TOTAL CUT = 11,050 CU.YDS.
FILL = 2,180 CU.YDS.

EXCESS MATERIAL = 8,870 Cu. Yds.
Topsoil & Pit Backfill = 2,530 Cu. Yds.
(1/2 Pit Vol.)
EXCESS UNBALANCE = 6,340 Cu. Yds.
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



PROPOSED LOCATION:
CWU #936-25

LEGEND:

○ PROPOSED LOCATION

EOG RESOURCES, INC.

CWU #936-25
SECTION 25, T9S, R22E, S.L.B.&M.
782' FSL 2416' FEL



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

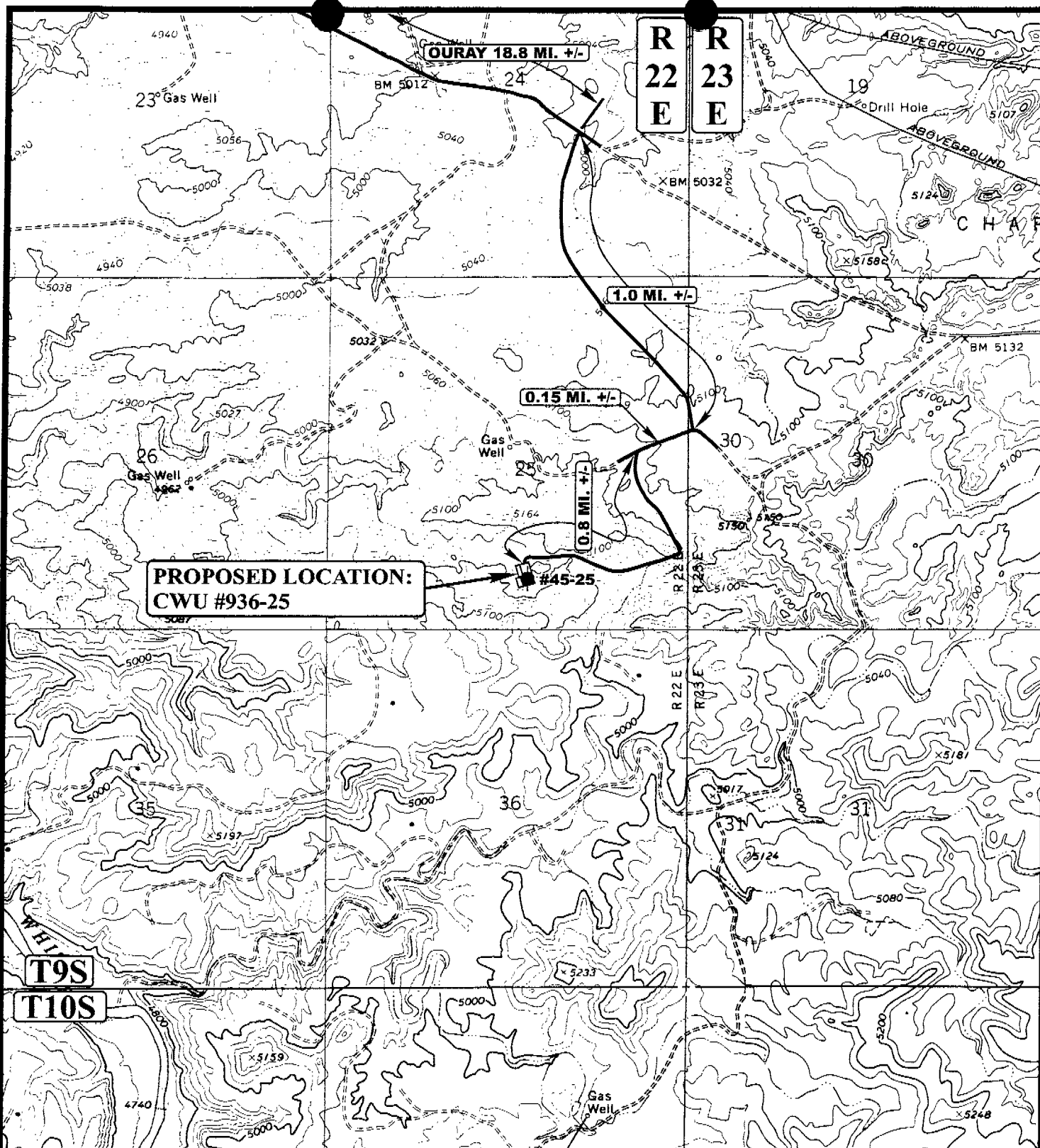


TOPOGRAPHIC
MAP

08 26 04
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: P.M. REVISED: 00-00-00





LEGEND:

— EXISTING ROAD



EOG RESOURCES, INC.

CWU #936-25

SECTION 25, T9S, R22E, S.L.B.&M.

782' FSL 2416' FEL



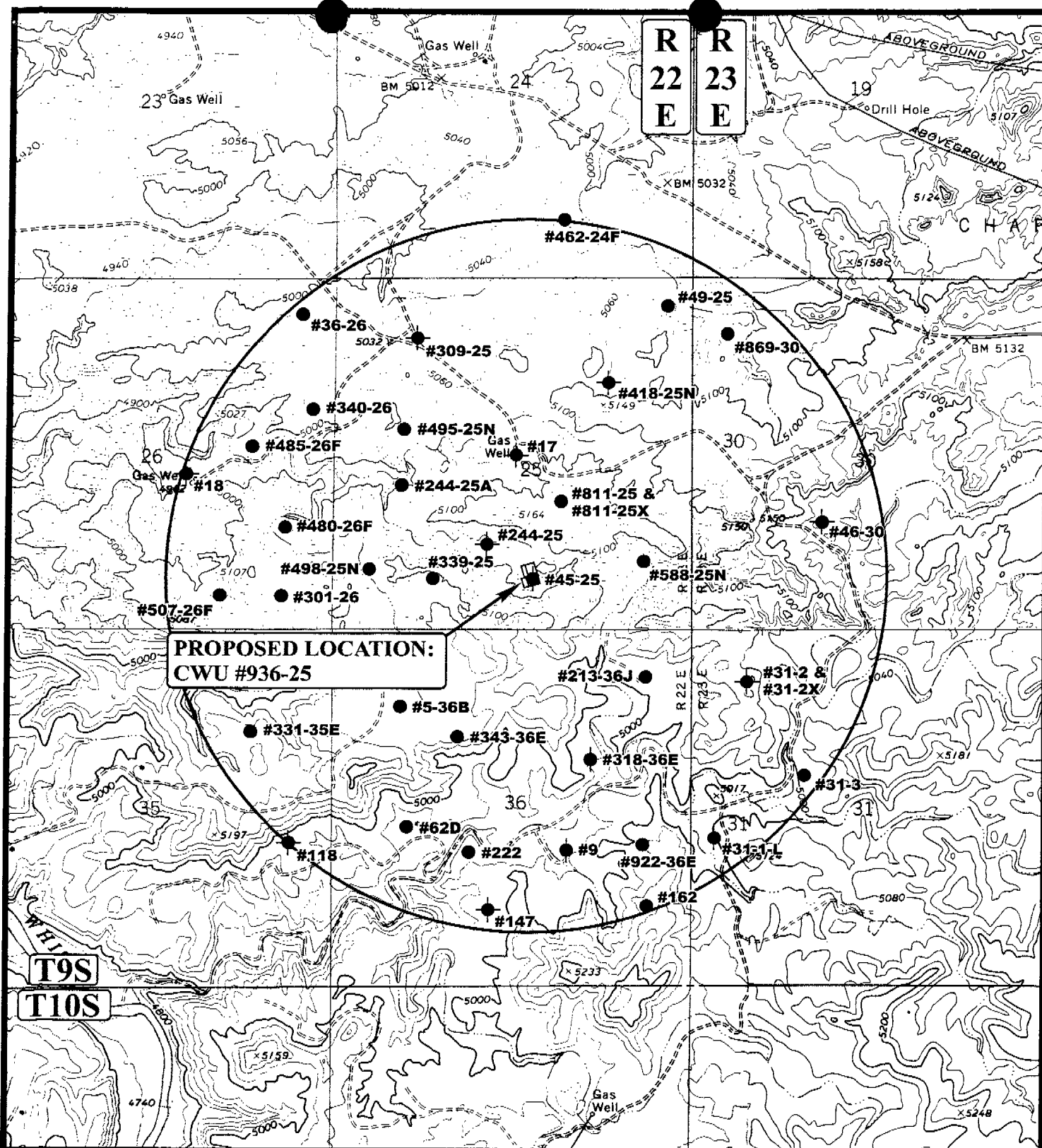
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

T O P O G R A P H I C
 M A P

08	26	04
MONTH	DAY	YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00





**PROPOSED LOCATION:
CWU #936-25**

LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

EOG RESOURCES, INC.

**CWU #936-25
SECTION 25, T9S, R22E, S.L.B.&M.
782' FSL 2416' FEL**



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP
08 26 04
MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00



004

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/08/2004

API NO. ASSIGNED: 43-047-36006

WELL NAME: CWU 936-25

OPERATOR: EOG RESOURCES INC (N9550)

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

SWSE 25 090S 220E

SURFACE: 0782 FSL 2416 FEL

BOTTOM: 0782 FSL 2416 FEL

UINTAH

NATURAL BUTTES (630)

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-010956

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review

Initials

Date

Engineering

Geology

Surface

LATITUDE: 40.00196

LONGITUDE: -109.3870

RECEIVED AND/OR REVIEWED:

☒ Plat☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM-2308)☒ Potash (Y/N)☒ Oil Shale 190-5 (B) or 190-3 or 190-13☒ Water Permit
(No. 49-1501)☒ RDCC Review (Y/N)
(Date:)☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

R649-2-3.

Unit CHAPITA WELLS

R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 179-8

Eff Date: 8-10-1999

Siting: Suspends General Siting

R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

1- Federal Approved
2- On SHALE

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

October 14, 2004

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2004 Plan of Development Chapita Wells Unit
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2004 within the Chapita Wells Unit, Uintah County, Utah.

API#	WELL NAME	LOCATION
------	-----------	----------

(Proposed PZ Price River Lower)

43-047-35998	CWU 837-11	Sec 11 T09S R22E 0662 FSL 1831 FEL
43-047-35999	CWU 971-11	Sec 11 T09S R22E 1537 FSL 0553 FEL
43-047-36000	CWU 970-12	Sec 12 T09S R22E 2090 FSL 2322 FWL
43-047-36001	CWU 973-12	Sec 12 T09S R22E 0867 FSL 1965 FEL
43-047-36004	CWU 932-25	Sec 25 T09S R22E 2085 FNL 0493 FEL
43-047-36005	CWU 934-25	Sec 25 T09S R22E 2185 FSL 0671 FEL
43-047-36006	CWU 936-25	Sec 25 T09S R22E 0782 FSL 2416 FEL
43-047-36002	CWU 925-23	Sec 23 T09S R22E 0663 FSL 2007 FWL
43-047-36003	CWU 926-23	Sec 23 T09S R22E 0662 FSL 0560 FEL
43-047-36007	CWU 314-30F	Sec 30 T09S R23E 1017 FNL 1498 FWL
43-047-36008	CWU 949-30	Sec 30 T09S R23E 2164 FSL 0740 FEL
43-047-36009	CWU 947-30	Sec 30 T09S R23E 1947 FNL 0641 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard



State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

October 14, 2004

EOG Resources, Inc.
P O Box 1815
Vernal, UT 84078

Re: Chapita Wells Unit 936-25 Well, 782' FSL, 2416' FEL, SW SE, Sec. 25,
T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36006.

Sincerely,

A handwritten signature in black ink, appearing to read "John R. Baza".

A handwritten signature in black ink, appearing to read "John R. Baza".

John R. Baza
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: EOG Resources, Inc.
Well Name & Number Chapita Wells Upabnit 936-25
API Number: 43-047-36006
Lease: U-010956

Location: SW SE **Sec.** 25 **T.** 9 South **R.** 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

RECEIVED

MAY 24 2005

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

DIV. OF OIL, GAS & MINING

006

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator
EOG RESOURCES, INC.

3a. Address **P.O. BOX 1815
VERNAL, UT 84078**

3b. Phone No. (Include area code)
(435)789-0790

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface **782' FSL, 2416' FEL**
At proposed prod. Zone

SW/SE

5. Lease Serial No.

U-010956

6. If Indian, Allottee or Tribe Name

If Unit or CA Agreement, Name and No.
CHAPITA WELLS UNIT

8. Lease Name and Well No.

CHAPITA WELLS UNIT 936-25

9. API Well No.

43-047-36006

10. Field and Pool, or Exploratory

NATURAL BUTTES

11. Sec., T., R., M., or Blk. and Survey or Area

**SEC. 25, T9S, R22E,
S.L.B.&M.**

14. Distance in miles and direction from nearest town or post office*

20.75 MILES SOUTHEAST OF OURAY, UTAH

12. County or Parish

UINTAH

13. State

UTAH

15. Distance from proposed*

location to nearest
property or lease line, ft. **782'**

(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease

320

17. Spacing Unit dedicated to this well

18. Distance from proposed location*

to nearest well, drilling, completed,
applied for, on this lease, ft. See Topo Map C

19. Proposed Depth

8950'

20. BLM/BIA Bond No. on file

NM-2308

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

5078.0 FEET GRADED GROUND

22. Approximate date work will start*

UPON APPROVAL

23. Estimated duration

45 DAYS

24. Attachments

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

3. A Surface Use Plan (if the location is on National Forest System Lands, the
SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file
(see item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required
by the authorized officer.

25. Signature

Ed Trotter

Name (Printed/Typed)

Ed Trotter

Date

October 6, 2004

Title

Agent

Approved by (Signature)

Name (Printed/Typed)

Date

Title

**Assistant Field Manager
Mineral Resources**

Office

05/20/2005

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of Approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

NOTICE OF APPROVAL

UDOGM

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: EOG Resources, Inc.
Well Name & Number: CWU 936-25
Lease Number: U-010956
API Number: 43-047-36006
Location: SWSE Sec. 25 T. 9S R. 22E
Agreement: Chapita Wells MV E

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to John Mayers of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil & Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 5M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint. Surface casing setting depths are based on ground level elevations only.

All casing strings below the conductor shall be pressure tested to 0.22 psi/ft of casing string length or 1500 psi, whichever is greater but not to exceed 70% of the minimum internal yield.

As a minimum requirement, the cement behind to production casing must extend at least 200' above the base of usable water which has been identified at $\pm 2585'$.

If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

A cement bond log (CBL) will be run from the production casing shoe to top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43

CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

Please submit an electronic copy of all logs run on this well in LAS format. This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF or other).

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Written notification of such must be submitted to this office not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the

operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergencies, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries and tested for meter accuracy at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal Field Office. All meter measurement facilities will conform to Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Kirk Fleetwood (435) 828-7874
Petroleum Engineer

Michael Lee (435) 828-7875
Petroleum Engineer

BLM FAX Machine (435) 781-4410

THERE ARE NO ADDITIONAL CONDITIONS FOR THE SURFACE USE PROGRAM.

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:
U-010956

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

CHAPITA WELLS UNIT

8. WELL NAME and NUMBER:

CHAPITA WELLS UNIT 936-25

9. API NUMBER:

4304736006

10. FIELD AND POOL OR WILDCAT:

NATURAL BUTTES

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

2. NAME OF OPERATOR:

EOG RESOURCES, INC.

3. ADDRESS OF OPERATOR:

P.O. BOX 1910

CITY VERNAL

STATE UT

ZIP 84078

PHONE NUMBER:

(435) 789-4120

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 782' FSL, 2416' FEL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 25 9S 22E S

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Extension request</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. requests that the APD for the subject well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 10-16-05

By: 

COPY SENT TO OPERATOR

Date: 10-20-05

Initials: 

NAME (PLEASE PRINT) Ed Trotter

TITLE Agent

SIGNATURE 

DATE 10/4/2005

(This space for State use only)

RECEIVED

OCT 13 2005

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4304736006
Well Name: CHAPITA WELLS UNIT 936-25
Location: 782' FSL, 2416' FEL, SWSE, Sec. 25, T9S, R22E
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 10/14/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐



Signature

10/4/2005

Date

Title: Agent

Representing: EOG RESOURCES, INC.

RECEIVED

OCT 13 2005

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG RESOURCES, INC.**

3a. Address
P.O. Box 1815 Vernal, UT 84078

3b. Phone No. (include area code)
435-781-9111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**782 FSL 2416 FEL (SWSE) S.L.B.&M
SECTION 25, T9S, R22E 40.001947 LAT 109.386861 LON**

5. Lease Serial No.
U-010956

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS UNIT

8. Well Name and No.
CHAPITA WELLS UNIT 936-25

9. API Well No.
43-047-36006

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State
UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other APD RENEWAL
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. respectfully requests the referenced APD originally approved 5/20/2005 be extended for one year.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

CONDITIONS OF APPROVAL ATTACHED

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Kaylene R. Gardner

Title **Regulatory Assistant**

Signature

Date

04/19/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Michael Lee

Petroleum Engineer

Approved by

Title

Date

APR 28 2006

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

UDOGM

MAY 08 2006

CONDITIONS OF APPROVAL

EOG Notice of Intent APD Extension

Lease: U-10956
Well: CWU 936-25 (43-047-36006)
Location: SWSE Sec. 25, T9S, R22E

An extension for the referenced APD is granted with the following condition(s):

1. The extension and APD will expire on 5/20/2007
2. No other extensions beyond that period will be granted or allowed.

If you have any other questions concerning this matter, please contact Michael Lee of this office at (435) 781-4432.

2006-04-28

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**782' FSL & 2416' FEL (SW/SE)
Sec. 25-T9S-R22E 40.001947 LAT 109.386861 LON**

5. Lease Serial No.

U-010956

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

Chapita Wells Unit

8. Well Name and No.

Chapita Wells Unit 936-25

9. API Well No.

43-047-36006

10. Field and Pool, or Exploratory Area

Natural Buttes/Mesaverde

11. County or Parish, State

Uintah County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Change TD
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests permission to change the TD on the subject well

From: 8950'

To: 9120'

Accepted by the
Utah Division of
Oil, Gas and Mining

Date: 10/24/06
By: [Signature]

Federal Approval Of This
Action Is Necessary

COPY SENT TO OPERATOR
Date: 10-25-06
Initials: RM

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mary A. Maestas

Title **Regulatory Assistant**

Signature

[Signature: Mary A. Maestas]

Date

10/16/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED

OCT 19 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER _____

2. NAME OF OPERATOR:
EOG RESOURCES, INC.

3. ADDRESS OF OPERATOR:
1060 East Highway 40 CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:
(435) 789-0790

5. LEASE DESIGNATION AND SERIAL NUMBER:
U-010956

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
CHAPITA WELLS UNIT

8. WELL NAME and NUMBER:
CHAPITA WELLS UNIT 936-25

9. API NUMBER:
43-047-36006

10. FIELD AND POOL, OR WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 782 FSL 2416 FEL 40.001947 LAT 109.386861 LON

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 25 9S 22E S.L.B. & M

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION REQUEST</u>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 10-24-06

By: [Signature]

COPY SENT TO OPERATOR
Date: 10-25-06
Initials: RM

NAME (PLEASE PRINT) Kaylene R. Gardner

TITLE Sr. Regulatory Assistant

SIGNATURE [Signature]

DATE 10/19/2006

(This space for State use only)

RECEIVED
OCT 23 2006
DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-36006
Well Name: CHAPITA WELLS UNIT 936-25
Location: 782 FSL 2416 FEL (SWSE), SECTION 25, T9S, R22E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 10/14/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒


Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

10/19/2006

Date

Title: SR. REGULATORY ASSISTANT

Representing: EOG RESOURCES, INC.

RECEIVED

OCT 23 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES, INC. Operator Account Number: N 9550
Address: 600 17th Street
city Denver
state CO zip 80202 Phone Number: (303) 262-2812

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-36006	CHAPITA WELLS UNIT 936-25	SWSE	25	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
<u>AB</u>	99999	<u>13650</u>	3/31/2007	<u>4/5/07</u>		
Comments: <u>PRRU = MVRD</u>						

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
Comments:						

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
Comments:						

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Carrie MacDonald

Name (Please Print)

Signature

Operations Clerk

4/4/2007

Date

RECEIVED

APR 05 2007

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
EOG Resources, Inc.

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
303-262-2812

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**782' FSL & 2,416' FEL (SWSE)
Sec. 25-T9S-R22E 40.001947 LAT 109.386861 LON**

5. Lease Serial No.
U-010956

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
Chapita Wells Unit

8. Well Name and No.
Chapita Wells Unit 936-25

9. API Well No.
43-047-36006

10. Field and Pool, or Exploratory Area
Natural Buttes/Mesaverde

11. County or Parish, State
Uintah County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Well spud
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well spud on 3/29/2007.

31

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Carrie MacDonald

Title **Operations Clerk**

Signature

Carrie MacDonald

Date

03/29/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED

APR 02 2007

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. U-010956
2. Name of Operator EOG Resources, Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 600 17th Street, Suite 1000N, Denver, CO 80202	3b. Phone No. (include area code) 303-262-2812	7. If Unit or CA/Agreement, Name and/or No. Chapita Wells Unit
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 782' FSL & 2,416' FEL (SWSE) Sec. 25-T9S-R22E 40.001947 LAT 109.386861 LON		8. Well Name and No. Chapita Wells Unit 936-25
		9. API Well No. 43-047-36006
		10. Field and Pool, or Exploratory Area Natural Buttes/Mesaverde
		11. County or Parish, State Uintah County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

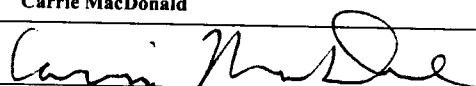
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.

1. Natural Buttes Unit 21-20B SWD
2. Chapita Wells Unit 550-30N SWD
3. Ace Disposal
4. RN Industries

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Carrie MacDonald		Title Operations Clerk
Signature 	Date 04/04/2007	

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Title _____ Office _____	Date _____
--	-----------------------------	------------

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED

APR 05 2007

DIV. OF OIL, GAS & MINING



EOG Resources, Inc.
600 Seventeenth Street
Suite 1000N
Denver, CO 80202
Main: 303-572-9000
Fax: 303-824-5400

April 2, 2007

Utah Division of Oil, Gas, and Mining
1594 West North Temple
Suite 1210
Salt Lake City, Utah 84114

43.047.36006
9S 22E 25

To Whom It May Concern:

EOG Resources, Inc. would like to request that the spud, water disposal, and change tank size sundries for CWU 936-25 be withdrawn. Due to an internal EOG transcription error, the notification that this well had spud was incorrect. If you have any further questions, please contact me 303-262-2812. Thank you for your cooperation in this matter.

Sincerely,

Carrie MacDonald
Operations Clerk

RECEIVED
APR 04 2007
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**782' FSL & 2416' FEL (SW/SE)
 Sec. 25-T9S-R22E 40.001947 LAT 109.386861 LON**

5. Lease Serial No.

U-010956

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

Chapita Wells Unit

8. Well Name and No.

Chapita Wells Unit 936-25

9. API Well No.

43-047-36006

10. Field and Pool, or Exploratory Area

Natural Buttes/Mesaverde

11. County or Parish, State

Uintah County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 6/8/2007. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

RECEIVED

JUN 20 2007

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct
 Name (Printed/Typed)

Mary A. Maestas

Title **Regulatory Assistant**

Signature

Mary A. Maestas

Date

06/18/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

WELL CHRONOLOGY REPORT

Report Generated On: 06-18-2007

Well Name	CWU 936-25	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API #	43-047-36006	Well Class	1SA
County, State	UINTAH, UT	Spud Date	04-19-2007	Class Date	06-08-2007
Tax Credit	N	TVD / MD	9,120/ 9,120	Property #	054925
Water Depth	0	Last CSG	2.375	Shoe TVD / MD	0/ 0
KB / GL Elev	5,091/ 5,078				
Location	Section 25, T9S, R22E, SWSE, 782 FSL & 2416 FEL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	53.248	NRI %	45.883

AFE No		302794		AFE Total		1,749,700		DHC / CWC		828,700/ 921,000													
Rig Contr		TRUE		Rig Name		TRUE #27		Start Date		10-13-2004		Release Date		04-17-2007									
10-13-2004		Reported By																					
Daily Costs: Drilling		\$0		Completion		\$0		Daily Total		\$0													
Cum Costs: Drilling		\$0		Completion		\$0		Well Total		\$0													
MD		0		TVD		0		Progress		0		Days		0		MW		0.0		Visc		0.0	
Formation :				PBTD : 0.0				Perf :				PKR Depth : 0.0											

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			782' FSL & 2416' FEL (SW/SE)
			SECTION 25, T9S, R22E
			UINTAH COUNTY, UTAH
			LAT 40.001947, LONG 109.386861 (NAD 27)
			RIG: TRUE #27
			OBJECTIVE: 9120' TD, MESAVERDE
			DW/GAS
			CHAPITA WELLS DEEP PROSPECT
			DD& A: CHAPITA DEEP
			FIELD: CHAPITA WELLS
			LEASE: U-010956
			ELEVATION: 5078' NAT GL, 5078' PREP GL, 5091' KB (13')
			EOG WI 53.24831%, NRI 45.88272%

03-19-2007	Reported By	TERRY CSERE			
Daily Costs: Drilling	\$38,000	Completion	\$0	Daily Total	\$38,000

Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Formation :	PBTD : 0.0		Days	0	MW
Activity at Report Time:	BUILD LOCATION		Perf :	0.0	Visc
Start	End	Hrs	Activity Description		
06:00	06:00	24.0	LOCATION STARTED.		
<hr/>					
03-20-2007	Reported By		TERRY CSERE		
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Formation :	PBTD : 0.0		Days	0	MW
Activity at Report Time:	BUILD LOCATION		Perf :	0.0	Visc
Start	End	Hrs	Activity Description		
06:00	06:00	24.0	LOCATION IS 15% COMPLETE.		
<hr/>					
03-21-2007	Reported By		TERRY CSERE		
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Formation :	PBTD : 0.0		Days	0	MW
Activity at Report Time:	BUILD LOCATION		Perf :	0.0	Visc
Start	End	Hrs	Activity Description		
06:00	06:00	24.0	ROCKET OUT. DRILLING.		
<hr/>					
03-22-2007	Reported By		BRYON TOLMAN		
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Formation :	PBTD : 0.0		Days	0	MW
Activity at Report Time:	BUILD LOCATION		Perf :	0.0	Visc
Start	End	Hrs	Activity Description		
06:00	06:00	24.0	ROCKETED OUT. DRILLING.		
<hr/>					
03-23-2007	Reported By		BRYON TOLMAN		
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Formation :	PBTD : 0.0		Days	0	MW
Activity at Report Time:	BUILD LOCATION		Perf :	0.0	Visc
Start	End	Hrs	Activity Description		
06:00	06:00	24.0	ROCKETED OUT. DRILLING.		
<hr/>					
03-26-2007	Reported By		TERRY CSERE		
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0

Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Formation :	PBTD : 0.0			Perf :	
Activity at Report Time: BUILD LOCATION					
Start	End	Hrs	Activity Description		
06:00	06:00	24.0	DRILLING HOLES.		
03-27-2007 Reported By TERRY CSERE					
DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Formation :	PBTD : 0.0			Perf :	
Activity at Report Time: BUILD LOCATION					
Start	End	Hrs	Activity Description		
06:00	06:00	24.0	SHOOTING TODAY.		
03-28-2007 Reported By TERRY CSERE					
DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Formation :	PBTD : 0.0			Perf :	
Activity at Report Time: BUILD LOCATION					
Start	End	Hrs	Activity Description		
06:00	06:00	24.0	PUSHING OUT PIT.		
03-29-2007 Reported By TERRY CSERE					
DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Formation :	PBTD : 0.0			Perf :	
Activity at Report Time: BUILD LOCATION					
Start	End	Hrs	Activity Description		
06:00	06:00	24.0	PUSHING OUT PIT.		
03-30-2007 Reported By TERRY CSERE					
DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Formation :	PBTD : 0.0			Perf :	
Activity at Report Time: BUILD LOCATION/WO AIR RIG					
Start	End	Hrs	Activity Description		
06:00	06:00	24.0	PUSHING OUT PIT.		
04-02-2007 Reported By TERRY CSERE					
DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0

Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 100% COMPLETE. WO AIR RIG.

04-05-2007 Reported By JERRY BARNES

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	40	TVD	40	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	CRAIGS ROUSTABOUT SERVICE SPUD A 20" HOLE ON 3/31/2007 @ 9:45 AM. SET 40' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 3/31/2007 @ 8:45 AM.

04-14-2007 Reported By JERRY BARNES

Daily Costs: Drilling	\$211,859	Completion	\$0	Daily Total	\$211,859
Cum Costs: Drilling	\$249,859	Completion	\$0	Well Total	\$249,859
MD	2,359	TVD	2,359	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG #2 ON 4/2/2007. DRILLED 12-1/4" HOLE TO 2410' GL. ENCOUNTERED WATER @ 1280' & 1720'. RAN 54 JTS (2346.29') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH DAVIS/LYNCH GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2359' KB. RDMO AIR RIG.

MIRU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 170 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 450 SX (92.1 BBLS) OF PREMIUM CEMENT W/2 % CACL2 & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX.

DISPLACED CEMENT W/178 BBLS FRESH WATER. BUMPED PLUG W/680# @ 1:08 PM, 4/5/2007. CHECKED FLOAT. FLOAT HELD. SHUT-IN CASING VALVE. NO CEMENT RETURNS.

TOP JOB # 1: MIXED & PUMPED 100 SX (32 BBLS) OF PREMIUM THIXOTROPIC CEMENT W/10% GYPSUM, 3% CACL2, 10#/SX GILSONITE, 3#/SX GR-3 & 1/4#/SX FLOCELE. MIXED CEMENT @ 13.5 PPG W/YIELD OF 1.80 CF/SX. NO RETURNS. WOC 1 HR 30 MINUTES.

TOP JOB # 2: MIXED & PUMPED 100 SX (32 BBLS) OF PREMIUM THIXOTROPIC CEMENT W/10% GYPSUM, 3% CACL2, 10#/SX GILSONITE, 3#/SX GR-3 & 1/4#/SX FLOCELE. MIXED CEMENT @ 13.5 PPG W/YIELD OF 1.80 CF/SX. NO RETURNS. WOC 1 HR 30 MINUTES.

TOP JOB # 3: MIXED & PUMPED 225 SX (46 BBLS) OF PREMIUM CEMENT W/2% CACL2, & 1/4#/SX FLOCELE. MIXED CEMENT TO 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS.

TOP JOB # 4: MIXED & PUMPED 160 SX (32.7 BBLS) OF PREMIUM CEMENT W/2% CACL2 & 1/4#/SX FLOCELE. MIXED CEMENT TO 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS.

TOP JOB # 5: MIXED & PUMPED 70 SX (14.3 BBLS) OF PREMIUM CEMENT W/2% CACL2, & 1/4#/SX FLOCELE. MIXED CEMENT TO 15.8 PPG WITH YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO BIG 4 CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

NO SURVEY AT THIS TIME.

DAL COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 4/5/2007 @ 3:30 PM.

04-19-2007 Reported By PAUL WHITE

Daily Costs: Drilling	\$34,093	Completion	\$0	Daily Total	\$34,093
Cum Costs: Drilling	\$284,318	Completion	\$0	Well Total	\$284,318
MD	2,359	TVD	2,359	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: PICK UP BHA

Start	End	Hrs	Activity Description
06:00	17:00	11.0	MOVE RIG FROM 934-25 TO 936-25. RELEASED TRUCKS AT 1600 HRS.
17:00	22:00	5.0	RAISED DERRICK AT 17:00 HRS. RIG UP ROTARY TOOLS.
22:00	23:00	1.0	NIPPLE UP BOPS, INSTALL FLARE LINES, PREP. FOR TEST. ACCEPT RIG AT 22:00 HRS. 4/18/07.
23:00	04:30	5.5	TEST BOPS AS PER DRILLING PROGNOSIS. ALL RAMS AND VALVES TO 5,000 PSI HIGH AND 250 PSI LOW. TEST HYDRIL TO 2,500 PSI. ACCUMULATOR TEST, ALL RAM AND HCR CLOSURES AND PUMP OPERATION SATISFACTORY. PRESSURE CHARTS ON FILE IN DRILLING OFFICE.
04:30	06:00	1.5	LAY OUT AND MEASURE BOTTOM HOLE ASSEMBLY. RIG UP WEATHERFORD PICKUP CREW.

NO ACCIDENTS OR INCIDENTS. SAFETY MEETINGS HELD WITH RW JONES. SITUATIONAL AWARENESS, OVERHEAD LOADS, PPE.

FUEL ON HAND 2094 USED 225. FULL CREWS. RIG ACCEPTED AT 22:00 HRS 4/18/07.

CALLED BLM AND NOTIFIED OF SPUD AND BOP TESTING. TALKED WITH MICHAEL LEE AND LEFT MESSAGE FOR JAMIE SPARGER. CALLED CAROL DANIELS W/ STATE OF UTAH AND NOTIFIED OF SPUD. CALLS MADE AT 14:45 4/18/07.

04-20-2007 Reported By PAUL WHITE

Daily Costs: Drilling	\$48,812	Completion	\$0	Daily Total	\$48,812
Cum Costs: Drilling	\$333,130	Completion	\$0	Well Total	\$333,130
MD	3,683	TVD	3,683	Progress	1,263
Days	1	MW	9.1	Visc	31.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	07:30	1.5	RIG UP WEATHERFORD PICKUP CREW. HOLD SAFETY MEETING.
07:30	10:30	3.0	PICKUP BHA, HWDP, DP. TAG CEMENT AT 2254'.

10:30 11:30 1.0 RIG DOWN WEATHERFORD EQUIPMENT.
 11:30 12:00 0.5 INSTALL ROTATING HEAD RUBBER.
 12:00 12:30 0.5 CHANGE OUT HAND THROTTLE FOR #2 PUMP.
 12:30 13:30 1.0 DRILL CEMENT/FLOAT EQUIP. FLOAT AT 2309'.
 13:30 15:00 1.5 RIG REPAIR, WELD MAIN BRACE FOR MAKE UP CATHEAD. WORK ON STUFFING BOX.
 15:00 16:30 1.5 DRILL CEMENT, SHOE AT 2359' DRILL TO 2420 FOR FIT TEST.
 16:30 17:00 0.5 CIRCULATE HOLE CLEAN, SPOT 60 VIS PILL ON BOTTOM. RUN FORMATION INTEGRITY TEST TO 11.5 PPG. EMW.
 17:00 04:00 11.0 DRILL F/ 2420 TO 3590. 1170' 106 FPH. RPM 70 WOB 20 GPM 420, MMRPM 67.
 04:00 04:30 0.5 SURVEY AT 3509 1 DEGREE.
 04:30 06:00 1.5 DRILL F/ 3590 TO 3683' 93' 62 FPH. WOB 20 RPM 70, GPM 420, MMRPM 67. MW 9.1 VIS 31. TOP OF WASATCH PROG DEPTH 4501.
 NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: CHANGING OUT TONG DIES. FULL CREWS.
 FUEL ON HAND 5834 RECIEVED 2500 USED 760.

06:00 18.0 SPUD 7 7/8" HOLE AT 17:00 HRS, 4/19/07.

04-21-2007 Reported By PAUL WHITE

DailyCosts: Drilling	\$37,107	Completion	\$0	Daily Total	\$37,107
Cum Costs: Drilling	\$370,237	Completion	\$0	Well Total	\$370,237
MD	5,335	TVD	5,335	Progress	1,652
Days	2	MW	9.2	Visc	34.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	07:30	1.5	DRILL F/ 3683 TO 3802'. 119' 79 FPH. RPM 75, WOB 20, GPM 420, MMRPM 67.
07:30	08:30	1.0	WORK ON PUMPS.
08:30	11:00	2.5	DRILL F/ 3802 TO 3996'. 194' 77 FPH.
11:00	11:30	0.5	SERVICE RIG
11:30	22:00	10.5	DRILL F/ 3996 TO 4868. 872' 83 FPH. RPM 75 WOB 20, 550 GPM, MMRPM 88.
22:00	23:30	1.5	RIG REPAIR, WORK ON BRAKE WATER SYSTEM.
23:30	06:00	6.5	DRILL F/ 4868 TO 5335' 467' 71 FPH. WOB 20, RPM 74, GPM 550, MMRPM 88, MUD WT 9.9 VIS 36.

NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: HANGING BLOCKS, SNUB LINES, WORKING ON PUMP. FULL CREWS. CHECK COM. HOLD BOP DRILL 80 SEC. AMAS.

FUEL ON HAND 4862 USED 972.

04-22-2007 Reported By PAUL WHITE

DailyCosts: Drilling	\$41,200	Completion	\$0	Daily Total	\$41,200
Cum Costs: Drilling	\$411,437	Completion	\$0	Well Total	\$411,437
MD	5,989	TVD	5,989	Progress	654
Days	3	MW	10.1	Visc	36.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: WASH AND REAM TO BOTTOM

Start	End	Hrs	Activity Description
06:00	11:00	5.0	DRILL F/ 5335 TO 5681. 546' 109 FPH. WOB 20 RPM 75, GPM 550, MMRPM 88.

11:00	11:30	0.5 SERVICE RIG
11:30	16:00	4.5 DRILL F/ 5681 TO 5886. 205' 45 FPH, WOB 20 RPM 70, GPM 420, MMRPM 67.
16:00	18:30	2.5 WORK ON #2 PUMP. CHANGED LINERS AND SWABS.
18:30	21:00	2.5 DRILL F/ 5886 TO 5989. 103' 41FPH. WOB 20 RPM 70, GPM 420, MMRPM 67.
21:00	05:30	8.5 PUMP PILL, DROP SURVEY, TRIP FOR BIT. CHANGE MUD MOTOR AND DROP ROLLER REAMERS.
05:30	06:00	0.5 WASH AND REAM 90' TO BOTTOM. MUD WT. 10.2 VIS 37.

NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: HANDLING SURVEY INSTRUMENT. RABBIT
DRILL PIPE. CHECK COM. FULL CREWS.

FUEL ON HAND 3964 USED 898.

04-23-2007 Reported By PAUL WHITE

Daily Costs: Drilling	\$74,746	Completion	\$0	Daily Total	\$74,746
Cum Costs: Drilling	\$486,184	Completion	\$0	Well Total	\$486,184
MD	7,070	TVD	7,070	Progress	1,173
Days	4	MW	10.6	Visc	39.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	06:30	0.5	WASH AND REAM FROM 5897 TO 5989.
06:30	13:00	6.5	DRILL F/ 5989 TO 6318. 329' 50 FPH, WOB 12/15, RPM 60, GPM 420, MMRPM 67. MW 10.7 VIS 36.
13:00	13:30	0.5	WORK ON #2 PUMP.
13:30	14:00	0.5	SERVICE RIG
14:00	23:00	9.0	DRILL F/ 6318' TO 6842' 524' 58 FPH. WOB 20 RPM 65 GPM 420 MMRPM 67.
23:00	01:00	2.0	LOST 210 BBLs OF MUD AT 6842', PICKUP MIX LCM AND STAGE IN HOLE AT MINIMUM PUMP SPEED. MOVE 100 BBLs TO PITS FROM MUD STORAGE ON LOCATION. CIRCULATE AND CONDITON.
01:00	06:00	5.0	DRILL F/ 6842' TO 7070. WOB 22 RPM 65 GPM 420 MMRPM 67, MUD WT 10.9 VIS 34.

NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: LOCK OUT TAG OUT, MIXING CHEMICALS.
CHECK COM, BOP DRILL 80 SEC AMAS. FULL CREWS.

FUEL ON HAND 2917 USED 1047.

04-24-2007 Reported By PAUL WHITE

Daily Costs: Drilling	\$56,732	Completion	\$4,271	Daily Total	\$61,003
Cum Costs: Drilling	\$542,916	Completion	\$4,271	Well Total	\$547,187
MD	7,520	TVD	7,520	Progress	450
Days	5	MW	11.0	Visc	39.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	07:30	1.5	DRILL F/ 7070 TO 7140 46 FPH WOB 20 RPM 60
07:30	08:00	0.5	SERVICE RIG.
08:00	10:00	2.0	DRILL F/ 7140 TO 7233 46 FPH WOB 20 RPM 70.
10:00	10:30	0.5	REPLACE SWAB IN #2 PUMP.
10:30	17:30	7.0	DRILL F/ 7233 TO 7463 230' 32 FPH, WOB 20 RPM 55/65. MW 10.9 VIS 37.

17:30 20:30 3.0 PUMP PILL, DROP SURVEY AND POH FOR BIT.
 20:30 22:00 1.5 SLIP & CUT DRILL LINE
 22:00 03:30 5.5 FINISH POH, CHANGE BIT AND MOTOR. RIH.
 03:30 04:00 0.5 WASH REAM 7417 TO 7463.
 04:00 06:00 2.0 DRILL F/ 7463 TO 7520. 57' 28 FPH. WOB 19 RPM 63 420 GPM MMRPM 67. MUD WT 11.0 VIS 36.

NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: CUTTING DRILLING LINE, RIG SERVICE.
 FULL CREW. CHECK COM. FUNCTION TEST PIPE, BLINDS AND HCR FROM REMOTE.

FUEL ON HAND 4863 REC 3500 USED 1554.

04-25-2007 Reported By PAUL WHITE

Daily Costs: Drilling	\$48,248	Completion	\$11,318	Daily Total	\$59,566
Cum Costs: Drilling	\$591,164	Completion	\$15,589	Well Total	\$606,753
MD	8,242	TVD	8,242	Progress	544
Days	6	MW	11.0	Visc	39.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: TRIP FOR BIT

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILL F/ 7520 TO 7698. 178' 27 FPH.
13:00	13:30	0.5	RIG SERVICE.
13:30	22:00	8.5	DRILL F/ 7698 TO 8100. 402' 73 FPH. WOB 15/25, RPM 55/75 GPM 420.
22:00	23:00	1.0	WORK ON #2 PUMP.
23:00	05:00	6.0	DRILL F/ 8100 TO 8242. 142' 23 FPH. WOB 20/25 RPM 50/65 GPM 420, MUD WT. 11.3 VIS 38,
05:00	05:30	0.5	CIRCULATE, MIX AND PUMP PILL FOR TRIP.
05:30	06:00	0.5	TRIP FOR BIT. MUD WT. 11.4 VIS 35.

NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: CUTTING DRLG. LINE, PICKING UP DP IN V DOOR. FULL CREWS. CHECK COM. BOP DRILL 85 SEC. AMAS.

FUEL ON HAND 3665 USED 1198.

04-26-2007 Reported By PAUL WHITE

Daily Costs: Drilling	\$36,866	Completion	\$0	Daily Total	\$36,866
Cum Costs: Drilling	\$628,031	Completion	\$15,589	Well Total	\$643,620
MD	8,791	TVD	8,791	Progress	549
Days	7	MW	11.5	Visc	36.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:30	6.5	POH, CHANGE MUD MOTOR AND BIT. RIH. TIGHT SPOT AT 7750 TO 7800.
12:30	13:00	0.5	WASH/REAM
13:00	16:00	3.0	DRILL F/ 8242 TO 8353. 111' 37 FPH, WOB 25 RPM 60 GPM 420.
16:00	16:30	0.5	SERVICE RIG
16:30	06:00	13.5	DRILL F/ 8353 TO 8791. 549' 40 FPH WOB 25 RPM 56 GPM 420 MMRPM 67, MW 11.6 VIS 36. KMV Price River Lower.

NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: SPINNING CHAIN, HOUSEKEEPING. FULL CREWS. CHECK COM, BOP DRILL, FUNCTION ALL SAFETY VALVES.

FUEL ON HAND 2618 USED 1047.

04-27-2007 Reported By PAUL WHITE

Daily Costs: Drilling	\$65,744	Completion	\$0	Daily Total	\$65,744
Cum Costs: Drilling	\$693,775	Completion	\$15,589	Well Total	\$709,364
MD	9,120	TVD	9,120	Progress	329
		Days	8	MW	11.6
		Visc			38.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: LAY DOWN DP AND BHA

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILL F/ 8791 TO 8979. 188' 28 FPH. WOB 25/30, RPM 50/60, 420 GPM. MW 11.5 VIS 36
12:30	13:00	0.5	SERVICE RIG.
13:00	21:00	8.0	DRILL F/ 8979 TO 9120' TD, 141' 18 FPH, WOB 25 RPM 50/60, GPM 420. MW 11.6 vis 38. REACHED TD AT 21:00 HRS, 4/26/07.
21:00	22:30	1.5	SHORT TRIP 16 STANDS. RIH.
22:30	23:30	1.0	CIRCULATE FOR CASING AND RIG UP WEATHERFORD LAY DOWN EQUIPMENT.
23:30	06:00	6.5	LAY DOWN DRILL PIPE AND BOTTOM HOLE ASSEMBLY, BREAK KELLY. MUD WT. 11.6 VIS 38

NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: TRIPPING, PUSH BACK PIPE TO AVOID PIN AND BOX DAMAGE. ELECTRICAL EQUIPMENT. THIRD PARTY MEETING HELD WITH WEATHERFORD LAYDOWN CREW. FULL CREW. CHECK COM.

FUEL ON HAND 3140 USED 977. PLANNING RIG MOVE TO 933-25. TRUCKS SCHEDULED FOR 0700 SAT. MOVE 3.2 MILES. CASING POINT COST \$617,581.

04-28-2007 Reported By PAUL WHITE

Daily Costs: Drilling	\$33,791	Completion	\$141,847	Daily Total	\$175,638
Cum Costs: Drilling	\$727,567	Completion	\$157,436	Well Total	\$885,003
MD	9,120	TVD	9,120	Progress	0
		Days	9	MW	0.0
		Visc			0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: RDRT/NO COMPLETION

Start	End	Hrs	Activity Description
06:00	07:00	1.0	LAY DOWN BHA.
07:00	07:30	0.5	PULL WEAR BUSHING.
07:30	12:00	4.5	RIG UP CASING CREW, HOLD SAFETY MEETING. RUN 4.5" 11.6# N-80 CASING. TAG @ 9120'.
12:00	13:30	1.5	RIG DOWN WEATHERFORD CASING CREW, RIG UP SCHLUMBERGER, CIRCULATE CASING.
13:30	16:00	2.5	LANDED 213 JTS. 4.5" 11.6# N-80 LT&C CASING W/ SHOE AT 9113' FLOAT COLLAR AT 9069'. P- 110. RAN 2 MARKER JOINTS AS PER PROG. RAN DAVIS LYNCH DIFFERENTIAL FILL FLOAT COLLAR AND FLOAT SHOE. CENTRILIZERS ON FIRST JOINT TOP OF SECOND JT. AND EVERY OTHER JOINT AFTER FOR A TOTAL OF 30. SCHLUMBERGER CEMENTED AS FOLLOWS. 20 BBLs CHEM WASH, 20 BBLs WATER, FOLLOWED BY 132.8 BBLs (330 SX) 35/65 POZ G, 12 PPG LEAD SLURRY AND 346.9 BBLs (1510 SX) 50/50 POZ G, 14.1 PPG TAIL SLURRY. DISPLACED W/ 140.5 BBLs WATER. BUMPED PLUG WITH 3,500 PSI. CHECKED FLOATS, HELD OK.

16:00 17:00 1.0 RIG DOWN. CLEAN MUD PITS, NIPPLE DOWN BOP'S.
 17:00 06:00 13.0 RIG DOWN ROTARY TOOLS. PREPARE FOR TRUCKS.

NO ACCIDENTS OR INCIDENTS. SAFETY MEETINGS HELD WITH WEATHERFORD LAY DOWN AND CASING CREWS AND SCHLUMBERGER CEMENTING CREWS. TRANSFERED APPROX. 1000 BBLs OF 11.6 PPG MUD TO TANK FARM ON FIDLER AND FANTASY CANYON ROAD. TRANSFERED 3 JTS OF 4.5" 11.6#N-80 CASING, ONE P-110 MARKER JT. AND 1885 GAL DIESEL FUEL TO CWU 933-25 TRANSFERED 1 DAMAGED JT. OF 4.5" CASING TO STEWART MACHINE FOR REPAIR.

MT. WEST SCHEDULED FOR 0630 TO MOVE CAMP AND RW JONES TRUCKS SCHEDULED FOR 0700 FOR RIG MOVE. RIG MOVE 3.2 MILES.

06:00 18.0 RIG RELEASED AT 17:00 HRS, 4/27/07.

CASING POINT COST \$727,567

05-02-2007 Reported By SEARLE

Daily Costs: Drilling	\$0	Completion	\$43,391	Daily Total	\$43,391
Cum Costs: Drilling	\$727,567	Completion	\$200,827	Well Total	\$928,394
MD	9,120	TVD	9,120	Progress	0
				Days	10
				MW	0.0
				Visc	0.0

Formation : PBTD : 9069.0 **Perf :** PKR Depth : 0.0

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 770'. EST CEMENT TOP @ 1490'. RD SCHLUMBERGER.

05-12-2007 Reported By MCCAMENT

Daily Costs: Drilling	\$0	Completion	\$1,730	Daily Total	\$1,730
Cum Costs: Drilling	\$727,567	Completion	\$202,557	Well Total	\$930,124
MD	9,120	TVD	9,120	Progress	0
				Days	11
				MW	0.0
				Visc	0.0

Formation : PBTD : 9069.0 **Perf :** PKR Depth : 0.0

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
12:40	13:30	0.83	NU FRAC TREE, PRESSURE TESTED CSG & TREE TO 6500 PSIG. WO COMPLETION.

05-17-2007 Reported By DEAN KOUTROULIS

Daily Costs: Drilling	\$0	Completion	\$214,373	Daily Total	\$214,373
Cum Costs: Drilling	\$727,567	Completion	\$416,930	Well Total	\$1,144,497
MD	9,120	TVD	9,120	Progress	0
				Days	12
				MW	0.0
				Visc	0.0

Formation : MESAVERDE **PBTD :** 9069.0 **Perf :** 7687-8896 **PKR Depth :** 0.0

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU CUTTERS WL. PERFORATED LPR FROM 8654-55', 8659-60', 8679-80', 8699-700', 8720-21', 8774-75', 8796-97', 8822-23', 8844-45', 8850-51', 8870-71' & 8894-96' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4173 GAL YF116ST+ PAD & 48196 GAL YF116ST+ WITH 149600# 20/40 SAND @ 1-5 PPG. MTP 6164 PSIG. MTR 51.4 BPM. ATP 4891 PSIG. ATR 48.4 BPM. ISIP 2700 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8590'. PERFORATED LPR FROM 8416-17', 8436-37', 8441-42', 8464-65', 8486-87', 8497-98', 8506-07', 8511-12', 8527-28', 8533-35' & 8571-72' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4159 GAL YF116ST+ PAD & 446114 GAL YF116ST+ WITH 134687# 20/40 SAND @ 1-5 PPG. MTP 6118 PSIG. MTR 51.4 BPM. ATP 5274 PSIG. ATR 48.3 BPM. ISIP 3750 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8340'. PERFORATED MPR FROM 8121-22', 8135-36', 8149-50', 8175-76', 8180-81', 8216-17', 8226-27', 8295-96', 8302-03', 8308-09', 8315-16' & 8322-23' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4158 GAL YF116ST+ PAD & 48468 GAL YF116ST+ WITH 151200# 20/40 SAND @ 1-5 PPG. MTP 6224 PSIG. MTR 51.4 BPM. ATP 5101 PSIG. ATR 47.9 BPM. ISIP 2900 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8085'. PERFORATED MPR FROM 7868-69', 7875-76', 7881-82', 7891-92', 7917-18', 7934-35', 7988-89', 7995-96', 8005-06', 8021-22', 8055-56' & 8071-72' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4155 GAL YF116ST+ PAD & 49079 GAL YF116ST+ WITH 150400# 20/40 SAND @ 1-5 PPG. MTP 6165 PSIG. MTR 50.1 BPM. ATP 4836 PSIG. ATR 47.1 BPM. ISIP 2570 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7846'. PERFORATED MPR FROM 7687-88', 7694-95', 7702-03', 7711-12', 7720-21', 7745-46', 7753-54', 7764-65', 7785-86', 7808-09', 7816-17', 7821-22' & 7827-28' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4169 GAL YF116ST+ PAD & 50710 GAL YF116ST+ WITH 159420# 20/40 SAND @ 1-5 PPG. MTP 6279 PSIG. MTR 51.3 BPM. ATP 5174 PSIG. ATR 46 BPM. ISIP 2600 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 7598'. BLEED OFF PRESSURE. RDWL. SDFN.

05-18-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$14,670	Daily Total	\$14,670
Cum Costs: Drilling	\$727,567	Completion	\$431,600	Well Total	\$1,159,167

MD	9,120	TVD	9,120	Progress	0	Days	13	MW	0.0	Visc	0.0
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Formation : MESAVERDE	PBTD : 9069.0	Perf : 7687-8896	PKR Depth : 0.0
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Activity at Report Time: CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	MIRU ROYAL WELL SERVICE RIG #2. SICP 0 PSIG. ND FRAC VALVE. NU BOP. RIH WITH 3-7/8" MILL TOOTH BIT & PUMP OFF BIT SUB TO CBP @ 7598'. SDFN.
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05-19-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$76,873	Daily Total	\$76,873
Cum Costs: Drilling	\$727,567	Completion	\$508,473	Well Total	\$1,236,040

MD	9,120	TVD	9,120	Progress	0	Days	14	MW	0.0	Visc	0.0
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Formation : MESAVERDE	PBTD : 9069.0	Perf : 7687-8896	PKR Depth : 0.0
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Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	SITP 0 PSIG. SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7598', 7846', 8085', 8340' & 8590'. RIH. CLEANED OUT TO 9000'. LANDED TUBING @ 7661' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.
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FLOWED 16 HRS. 16/64" CHOKE. FTP 1750 PSIG. CP 2025 PSIG. 52 BFPH. RECOVERED 886 BLW. 6014 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB .91'
 1 JT 2-3/8" 4.7# N-80 TBG 32.78'
 XN NIPPLE 1.30'
 233 JTS 2-3/8" 4.7# N-80 TBG 7613.20'
 BELOW KB 13.00'
 LANDED @ 7661.19' KB

05-20-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,725	Daily Total	\$2,725
Cum Costs: Drilling	\$727,567	Completion	\$511,198	Well Total	\$1,238,765

MD	9,120	TVD	9,120	Progress	0	Days	15	MW	0.0	Visc	0.0
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Formation : MESAVERDE	PBTD : 9069.0	Perf : 7687-8896	PKR Depth : 0.0
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Activity at Report Time: FLOW TESTING

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 2150 PSIG. CP 3000 PSIG. 34 BFPH. RECOVERED 976 BLW. 5038 BLWTR.

05-21-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,725	Daily Total	\$2,725
Cum Costs: Drilling	\$727,567	Completion	\$513,923	Well Total	\$1,241,490

MD	9,120	TVD	9,120	Progress	0	Days	16	MW	0.0	Visc	0.0
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Formation : MESAVERDE	PBTD : 9069.0	Perf : 7687-8896	PKR Depth : 0.0
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Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 2350 PSIG. CP 3400 PSIG. 28 BFPH. RECOVERED 699 BLW. 4339 BLWTR.

05-22-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,725	Daily Total	\$2,725
Cum Costs: Drilling	\$727,567	Completion	\$516,648	Well Total	\$1,244,215

MD	9,120	TVD	9,120	Progress	0	Days	17	MW	0.0	Visc	0.0
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Formation : MESAVERDE	PBTD : 9069.0	Perf : 7687-8896	PKR Depth : 0.0
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Activity at Report Time: WO FACILITIES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 6 HRS. 16/64" CHOKE. FTP 2350 PSIG. CP 3300 PSIG. 23 BFPH. RECOVERED 142 BLW. 4197 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 5/21/07

06-11-2007 Reported By HEATH LEMON

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$727,567	Completion	\$516,648	Well Total	\$1,244,215

MD	9,120	TVD	9,120	Progress	0	Days	18	MW	0.0	Visc	0.0
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Formation : MESAVERDE	PBTD : 9069.0	Perf : 7687-8896	PKR Depth : 0.0
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Activity at Report Time: INITIAL PRODUCTION-ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION. OPENING PRESSURE: TP 2675 & CP 3800 PSI. TURNED WELL TO QUESTAR SALES AT 10:30 AM. 6/8/07. FLOWED 500 MCFD RATE ON 10/64" POS CHOKE. STATIC 255.

6/10/07 FLOWED 549 MCFD, 8 BC & 250 BW IN 24 HRS ON 10/64" CK, TP 2750 & CP 3650 PSIG.

6/11/07 FLOWED 879 MCFD, 35 BC & 191 BW IN 24 HRS ON 10/64" CK, TP 2750 & CP 3490 PSIG.

06-12-2007 Reported By ALAN WATKINS

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$727,567	Completion	\$516,648	Well Total	\$1,244,215
MD	9,120	TVD	9,120	Progress	0
				Days	19
				MW	0.0
				Visc	0.0
Formation : MESAVERDE	PBTD : 9069.0	Perf : 7687-8896		PKR Depth : 0.0	

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 942 MCFD, 43 BC & 150 BW IN 24 HRS ON 10/64" CK, TP 2700 & CP 3360 PSIG.

06-13-2007 Reported By ALAN WATKINS

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$727,567	Completion	\$516,648	Well Total	\$1,244,215
MD	9,120	TVD	9,120	Progress	0
				Days	20
				MW	0.0
				Visc	0.0
Formation : MESAVERDE	PBTD : 9069.0	Perf : 7687-8896		PKR Depth : 0.0	

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 927 MCFD, 20 BC & 160 BW IN 24 HRS ON 10/64" CK, TP 2650 & CP 3350 PSIG.

06-14-2007 Reported By ROGER DART

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$727,567	Completion	\$516,648	Well Total	\$1,244,215
MD	9,120	TVD	9,120	Progress	0
				Days	21
				MW	0.0
				Visc	0.0
Formation : MESAVERDE	PBTD : 9069.0	Perf : 7687-8896		PKR Depth : 0.0	

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 942 MCFD, 41 BC & 160 BW IN 24 HRS ON 10/64" CK, TP 2600 & CP 3200 PSIG.

06-15-2007 Reported By ALAN WATKINS

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$727,567	Completion	\$516,648	Well Total	\$1,244,215
MD	9,120	TVD	9,120	Progress	0
				Days	22
				MW	0.0
				Visc	0.0
Formation : MESAVERDE	PBTD : 9069.0	Perf : 7687-8896		PKR Depth : 0.0	

Activity at Report Time: ON SALES-FINAL REPORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 17 MCFD, 0 BC & 0 BW IN 4 HRS ON 10/64" CK, TP 2600 & CP 3200 PSIG. SHUT IN TO INSULATE.

FINAL REPORT

06-18-2007 Reported By MICHAEL WHITE

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$727,567	Completion	\$516,648	Well Total	\$1,244,215

MD	9,120	TVD	9,120	Progress	0	Days	23	MW	0.0	Visc	0.0
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Formation : MESAVERDE**PBTD : 9069.0****Perf : 7687-8896****PKR Depth : 0.0****Activity at Report Time: ON SALES**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	6/16/07 NO REPORT ON MORNING REPORT.

6/17/07 FLOWED 786 MCFD, 25 BC & 130 BW IN 19 HRS ON 10/64" CK, TP 2700 & CP 3250 PSIG.

6/18/07 FLOWED 1000 MCFD, 32 BC & 135 BW IN 24 HRS ON 10/64" CK, TP 2600 & CP 3150 PSIG.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other
b. Type of Completion: ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.,
Other _____

2. Name of Operator **EOG Resources, Inc.**3. Address **600 17th Street, Suite 1000N, Denver, CO 80202**3a. Phone No. (include area code)
303-824-5526

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface **782' FSL & 2416' FEL (SWSE) 40.001947 LAT 109.386861 LON**At top prod. interval reported below **Same**At total depth **Same**14. Date Spudded
03/31/200715. Date T.D. Reached
04/26/200716. Date Completed **06/08/2007**
☐ D & A ☒ Ready to Prod.18. Total Depth: MD **9120**
TVD19. Plug Back T.D.: MD **9069**
TVD20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

RST/CBL/CCL/VDL/GR22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit report)
Directional Survey? ☒ No ☐ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	9-5/8"	36.0#	J-55	0-2359		1105 sx			
7-7/8"	4-1/2"	11.6#	N-80	0-9115		1840 sx			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-3/8"	7661							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Mesaverde	7687	8896	8654-8896		3/spf	
B)			8416-8572		3/spf	
C)			8121-8323		3/spf	
D)			7868-8072		3/spf	

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
8654-8896	52,534 GALS GELLED WATER & 149,600# 20/40 SAND
8416-8572	48,938 GALS GELLED WATER & 134,687# 20/40 SAND
8121-8323	52,791 GALS GELLED WATER & 151,200# 20/40 SAND
7868-8072	53,399 GALS GELLED WATER & 150,400# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
06/08/2007	06/13/2007	24	→	20	927	160			FLOW FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
10/64"	2650	3350	→	20	927	160			PRODUCING GAS WELL

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

*(See instructions and spaces for additional data on page 2)

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28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Mesaverde	7687	8896		Wasatch Chapita Wells Buck Canyon Price River Middle Price River Lower Price River Sego	4506 5072 5771 6723 7615 8454 8943

32. Additional remarks (include plugging procedure):

SEE ATTACHED SHEET.

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd.) ☐ Geologic Report ☐ DST Report ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification ☐ Core Analysis ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) **Mary A. Maestas**Title **Regulatory Assistant**

Signature

Date **06/21/2007**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Chapita Wells Unit 936-25 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

7687-7828	2/spf
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27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

7687-7828	55,044 GALS GELLED WATER & 159,420# 20/40 SAND
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Perforated the Lower Price River from 8654-8655', 8659-8660', 8679-8680', 8699-8700', 8720-8721', 8774-8775', 8796-8797', 8822-8823', 8844-8845', 8850-8851', 8870-8871' & 8894-8896' w/ 3 spf.

Perforated the Lower Price River from 8416-8417', 8436-8437', 8441-8442', 8464-8465', 8486-8487', 8497-8498', 8506-8507', 8511-8512', 8527-8528', 8533-8535' & 8571-8572' w/ 3 spf.

Perforated the Middle Price River from 8121-8122', 8135-8136', 8149-8150', 8175-8176', 8180-8181', 8216-8217', 8226-8227', 8295-8296', 8302-8303', 8308-8309', 8315-8316' & 8322-8323' w/ 3 spf.

Perforated the Middle Price River from 7868-7869', 7875-7876', 7881-7882', 7891-7892', 7917-7918', 7934-7935', 7988-7989', 7995-7996', 8005-8006', 8021-8022', 8055-8056' & 8071-8072' w/ 3 spf.

Perforated the Middle Price River from 7687-7688', 7694-7695', 7702-7703', 7711-7712', 7720-7721', 7745-7746', 7753-7754', 7764-7765', 7785-7786', 7808-7809', 7816-7817', 7821-7822' & 7827-7828' w/ 2 spf.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 936-25

API number: _____

Well Location: QQ SWSE Section 25 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIG'S ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1367

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,280	1,290	NO FLOW	NOT KNOWN
1,720	1,750	NO FLOW	NOT KNOWN

Formation tops:
(Top to Bottom)

1	2	3
4	5	6
7	8	9
10	11	12

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas

DATE 6/21/2007